

## **Background**

- In 1995, the Osaka Action Agenda called on member economies to take into account, in the process of progressive reduction of non-tariff measures, intra-APEC trade trends, economic interests, and sectors or products related to industries in which this process may have positive impact on trade and growth in the Asia-Pacific region.
- Subsequently, the Market Access Group has adopted a Collective Action Plan to undertake a series of policy discussions on NTMs with a view to exploring issues surrounding their progressive reduction, and to devise practical options for their progressive reduction on a voluntary basis, and forwarded to Ministers in Shanghai for their approval as a new Collective Action Plan to elaborate the scope of NTMs affecting significant volumes of trade in APEC economies.
- In order to implement the above goals, it is useful for Member economies to be able to engage in analysis to determine in which instances the reduction of non-tariff measures in a particular industry or sector is most likely to lead to a sizeable increase in trade, and hence to a positive impact on economic growth.
- Policymakers in the APEC economies regularly rely on the analysis of trade specialists, both inside and outside government, to provide assessments of the economic effects of trade policies potentially under consideration. Considerable sophistication in the quantitative analysis of tariff changes has been achieved in the course of assessing the Uruguay Round and regional trade agreements. Analysis of most NTMs has, to this point, remained largely qualitative. With the progressive reduction of tariffs worldwide, analysis of the economic effects of NTMs has increased in relative importance, but has lagged behind the analysis of tariffs in terms of quantitative content, rigor, and precision. Nonetheless, significant progress has been made in the quantitative analysis of NTMs in recent years.
- The analysis of such topics as trade facilitation, market access in services, and tariff-rate quotas in agriculture is similar to that of NTM reduction in that these topics are increasingly important in policy discussions, yet more difficult to analyze quantitatively than tariff reduction. Moreover, the assessment of the benefits of trade facilitation has attracted increasing interest since the articulation in the Shanghai Accord of the objective of reducing transactions costs by 5 percent across the APEC region over the next 5 years.

### **Objectives of the Workshop**

The proposed workshop is designed to build on the momentum achieved by research organizations in the Asia-Pacific region in improving techniques for the quantitative assessment of trade policies other than tariffs. The workshop will serve as a catalyst to advance the state of the art in these techniques, will facilitate dissemination of techniques already available more widely in the Asia-Pacific region, and will promote people-to-people contact among trade policy analysts in governmental and non-governmental research organizations.